

AUTHORIZED SAVI DEALER AGREEMENT

The following Authorized Dealer Agreement, the "AGREEMENT," is made by and between SAVI Controls, LLC, under the laws of the State of Texas and having its principal office at 2420 Tarpley Rd, Suite 210, Carrollton, TX 75006, hereinafter referred to as "SAVI" and our newest SAVI Authorized Dealer with its principle offices noted in their SAVI Dealer Application hereinafter referred to as "DEALER".

1. APPOINTMENT AND ACCEPTANCE

SAVI appoints DEALER as a non-exclusive, unless otherwise noted in Section 2.c.), Authorized DEALER for all SAVI PRODUCTS listed under the SCHEDULE A hereto (the "PRODUCT").

Appointment is subject to the license AGREEMENT and other terms and conditions as set forth herein. Such terms and conditions may be modified by SAVI from time to time, without prior notice, as pertaining to DEALER programs, promotions and PRODUCT. SAVI makes no representation of warranty regarding PRODUCT availability. DEALER accepts the appointment and agrees to use its best efforts to sell and promote the sale of PRODUCTS.

2. LICENSE, LOCATIONS AND TERRITORY

a.) Technical Proficiency: DEALER agrees to maintain on staff a minimum of one SAVI Certified Technician with prior audio/video and control systems integration experience. Failure to maintain such staff may result in suspension or loss of license and authorized DEALER status with SAVI. SAVI Certified Technician requires: Tech I Control4 Certification and SAVI Technical Certification.

b.) License: SAVI grants DEALER a limited license for the purpose of promoting and distributing the PRODUCTS to commercial buyers and end-users in the United States (and its territories) and other territories if agreed to by both parties from time to time through DEALER sales channels, in accordance with DEALER obligations as set forth in the SCHEDULE A included below.

c.) Locations and Territory: DEALER may distribute PRODUCTS from one or more locations, provided that SAVI separately approves each location, electronically or in writing, beyond the primary location listed in the Dealer Application.

d.) Reserved Rights: SAVI reserves the right, at its discretion, to: (i) change PRODUCT offerings, (ii) authorize other DEALER, (iii) market and sell SAVI PRODUCTS through other DEALER channels and other means.

e.) Intellectual Property: The license and dealership granted herein to DEALER does not constitute a sale or transfer of ownership of any intellectual property of SAVI, including but not limited to patents, copyrights, trade secrets, or other rights (the "SAVI intellectual property") all of which are owned by SAVI. DEALER shall not decompile or reverse engineer any SAVI intellectual property ("SAVI IP"), nor shall DEALER develop or attempt to develop any derivative work based in whole or in part on SAVI IP.

3. PRICING AND TAXES

a.) PRICING: SAVI will sell PRODUCTS to DEALER at prices according to current published price list when orders are placed, or as otherwise agreed upon by both parties. Any new or revised price list will immediately and automatically supersede all prior price lists. Prices do not include sales, use, excise or other similar taxes.

b.) Taxes: The amount of any valid present or future tax that is attributable to DEALER, shall be paid by DEALER, or in lieu thereof, DEALER shall provide SAVI with a tax exemption certificate acceptable to all relevant authorities.

c.) Dealer Retail Pricing: DEALER determines its own price for sales to its customers. SAVI provides a Manufacturer's Suggested Retail Price (MSRP) for reference purposes, and SAVI shall not interfere with retail pricing established by DEALER.

d.) Related Matters: DEALER shall not make any deductions from amounts due to SAVI unless SAVI has issued a credit memo or other such authorization in writing. Any unauthorized deduction shall be grounds for potential termination of this AGREEMENT, without any liability to DEALER. DEALER hereby grants SAVI a security interest in all PRODUCTS sold by SAVI to DEALER until such time that payment is received in full for such PRODUCTS, and agrees that SAVI may file such financing statements as SAVI deems necessary to perfect such security interests.

4. PURCHASE ORDERS

a.) Form: Orders for SAVI PRODUCTS are to be initiated by "Purchase Order" (PO) from DEALER in the format designated by SAVI, including electronic PO's. Each PO submitted by DEALER shall be binding upon the parties upon written acceptance by SAVI or upon shipment of PRODUCT by SAVI. The terms and conditions of this AGREEMENT shall apply to all PO's and will supersede any other terms or conditions set forth on any PO submitted by DEALER, notwithstanding SAVI's acceptance and fulfillment thereof.

b.) Forecasts: DEALER shall provide SAVI with a written quarterly forecast of expected orders for the upcoming calendar quarter. DEALER too agrees that quarterly forecast constitute a reasonable good faith anticipation of orders to be placed. SAVI may also request of DEALER from time to time expected orders to be placed in a given calendar month.

*c.) Cancellation of Purchase Orders:*SAVI reserves the right to cancel any pending PO in the event that DEALER fails to pay amount owed, past due, or if DEALER breaches or fails to comply with the terms of this AGREEMENT, or if DEALER fails to meet the credit requirements established by SAVI.

*d.) Shipments and Expedited Delivery:*SAVI will ship PRODUCTS, with appropriate packaging, by reputable carrier, to the address or location designated by DEALER in the PO. SAVI will process any "rush" orders for product placed by DEALER in earnest. Expedited delivery dates may incur added shipping charges.

5. PAYMENT

*a.) General Payment Terms:*Payment for orders shall be due prior to PRODUCT shipment unless otherwise agreed by SAVI, or set forth as part of a DEALER program or promotion in which an authorized DEALER participates. All transactions are valued and paid in United States currency. Interest shall accrue on overdue accounts at the rate of 18% per annum or, if lower, the maximum rate allowed by law.

*b.) Credit Terms:*SAVI may extend, at its discretion, certain credit terms to DEALER, and shipments may be sent pursuant to such credit terms. Such terms may be established in writing according to SAVI's standard credit application and agreement, or set forth as part of a DEALER program or promotion in which an authorized DEALER participates. If DEALER defaults on its obligations pertaining to any such credit terms, SAVI may declare all amounts immediately due, as well as any other remedies pursuant to the credit agreement or at law or equity. SAVI also reserves the right to limit, with respect to any PO, shipment, or the credit available to DEALER.

*c.) Title:*Title to the PRODUCTS, including risk of loss, will pass to DEALER upon delivery of the PRODUCTS by SAVI to the carrier at SAVI's point of shipment. SAVI shall have no responsibility to insure shipments.

d.) Taxes: DEALER shall pay when due all taxes, fees, levies, duties and other payments required in connection with the importation, distribution and sales of PRODUCTS, including without limitation any related income tax liability.

6. RETURNS

*a.) General Terms:*DEALER shall have the right to return, subject to terms hereof and at SAVI's expense, for a full credit or refund, any PRODUCTS that (i) are shipped in error or were not ordered pursuant to DEALER Purchase Order; or (ii) are damaged or defective (*but not including damage incurred during shipment*). In any of the foregoing events, DEALER shall notify SAVI within five (5) days of the receipt of the subject PRODUCTS, including a reasonable explanation for the return. SAVI reserves the right to deny any return for which notice is not given within the applicable notification period, or in the case of subsection (ii) above, if the damage is caused by the negligence or willful misconduct of DEALER or its representative or agents. If DEALER is eligible to return the PRODUCTS, SAVI will provide DEALER with a Return Merchandise Authorization ("RMA") number and related return instructions. Failure to obtain an RMA number, and/or to comply with the return instructions may result in denial of the return, or of some or all of the credit or refund amount. If upon examination, SAVI determines that any returned PRODUCTS were improperly returned or are not eligible for return, then SAVI reserves the right to send PRODUCT back to DEALER. This return policy is subject to change or modification from time to time consistent with SAVI's standard return policies, which are incorporated herein by reference.

*b.) Definition of "Defective":*For purposes of Section 6.a.) the term "defective" shall mean any PRODUCT that is not performing in accordance with the limited warranty associated with such upon inspection by DEALER.

*c.) No Unauthorized Returns:*DEALER shall not return any PRODUCTS except as expressly permitted under Section 6.a.), and SAVI shall have no obligation to accept any other returns. All returns not in compliance with Section 6.a.) shall at SAVI's option, in addition to the right of return and other remedies set forth in Section 6.a.), be subject to a handling charge due to SAVI from DEALER equal to twenty percent 20% of the price for the returned PRODUCTS on SAVI's then-current price list plus any freight, insurance or similar charges previously paid or incurred by SAVI in connection with the original shipment of such PRODUCTS to DEALER.

7. TRADEMARKS

*a.) Trademark Use:*SAVI hereby grants DEALER a limited license to use, exhibit, display, reproduce and publish SAVI's trade names, trademarks and service marks associated with the PRODUCTS in order to promote and sell the PRODUCTS. DEALER shall comply with SAVI's trademark usage guidelines, as may be modified from time to time, which are available upon request.

*b.) Trademark Ownership:*SAVI has and shall retain exclusive ownership of all trademarks, trade names and PRODUCT names relating to SAVI or PRODUCTS whether listed in catalog or marketing materials or otherwise ("SAVI marks"). Neither DEALER nor its affiliates shall directly or indirectly contest or challenge, or do anything inconsistent with SAVI's exclusive ownership of the SAVI marks. DEALER shall not alter, deface, remove, cover, mutilate or add to the SAVI marks, except that if required by relevant regulations DEALER may attach labels in the local language, and/or inserts or information in PRODUCT containers.

*c.) SAVI Content:*SAVI may provide to DEALER, without limitation, PRODUCT advertising and promotional materials, as well as specifications, images, and other textual, graphical and/or multimedia content regarding the PRODUCTS for use in preparing advertising and promotional material ("SAVI content"). Subject to any limitations which SAVI places on the use of SAVI Content by notification to DEALER, SAVI hereby grants DEALER a license to use, exhibit and display, reproduce and publish (but not to modify,

alter or amend) such SAVI Content for the purpose of advertising and promoting the PRODUCTS.

d.) Use After Termination: Upon expiration or termination of this AGREEMENT, unless otherwise notified by SAVI, DEALER shall be permitted to continue to advertise and promote the PRODUCTS, using the SAVI Marks and SAVI Content, all in accordance with Section 7.a.), 7.b.), and 7.c.), only until DEALER has depleted its inventory of the PRODUCTS. Thereafter, any license granted hereunder shall terminate and any use by DEALER of the SAVI marks and/or SAVI content shall be immediately discontinued without demand or judicial resolution.

8. CONFIDENTIALITY

These terms and any information marked or identified as confidential, or regardless of form or markings is of the nature that a reasonable person would understand its owner would not want it disclosed to the public will be considered to be "confidential information." Further, confidential information shall also include (a) this AGREEMENT and its terms; (b) technical matters concerning SAVI's trade secret processes or devices, knowhow, data, formulas, inventions (*whether or not patentable or copyrighted*), specifications and characteristics of PRODUCTS or services planned or being developed, and research subjects, methods and results, (c) SAVI's pricing, policies, markets and sales strategies, (d) matters relating to SAVI's project initiatives and designs, or (e) other information of a similar nature not generally disclosed to the public. Each party agrees not to disclose confidential information except to its own employees, or a third party bound by similar confidentiality obligations that are no less protective than this Section 8, and that have a need to know to perform their responsibilities. Each party agrees to take at least the same precautions to protect confidential information as such party would utilize to ensure the protection, confidentiality and security of its own confidential information. Confidential information shall not include any information which (a) is or becomes generally known or available through no act or failure to act by the receiving party; (b) is already known by the receiving party as evidenced by its written records; (c) is hereafter rightfully furnished to the receiving party by a third party without restriction on disclosure; or (d) is disclosed in response to a valid order by a court or other governmental body, or pursuant to the rules and regulations of any stock exchange or stock association in which the securities of the receiving party may be traded from time to time, provided that the receiving party provides the disclosing party with prior written notice of such disclosure as soon as reasonably possible in order to permit the disclosing party to seek confidential treatment of such information. Upon the expiration or earlier termination of this AGREEMENT, a party may, in writing, request either the prompt return or destruction, and a written certification of such destruction, of any confidential information provided to the other party. Each party further agrees that monetary damages may not alone be a sufficient remedy for unauthorized disclosure of confidential information and that the non-disclosing party shall be entitled to seek all remedies and damages available in law and equity, including but not limited to such injunctive relief as may be deemed proper by a court of competent jurisdiction.

9. ADDITIONAL OBLIGATIONS OF SAVI

a.) PRODUCT Materials: SAVI shall provide to DEALER access to marketing and technical information prepared by SAVI relating to the PRODUCTS, service, manuals, PRODUCT specifications, end-user warranties and other PRODUCT data and materials online through www.savicontrols.com/dealer. SAVI shall provide such PRODUCT Materials in English, and may provide them in other languages. If SAVI does not produce the PRODUCT Materials, or any part of them, in a language required by DEALER, then DEALER may, at its own expense and in good faith consult with SAVI, translate or obtain the translation of such PRODUCT Materials into such other language; provided that DEALER shall be required to obtain SAVI's approval, which shall not be unreasonably withheld, of any translation and adaptation of the PRODUCT Materials prior to distribution. DEALER shall indemnify and hold harmless SAVI from and against any and all damages, claims, losses or other expenses resulting from any mistake or omission in any translation or adaptation prepared by or on behalf of DEALER.

b.) Training: Subject to reservation scheduling to ensure space availability, DEALER will be eligible to attend training programs at SAVI's training facilities at charges agreed upon by both parties. DEALER agrees to make available a reasonable number of its personnel for such training, and agrees that travel and related costs (if any) are DEALER responsibility.

c.) Compliance: SAVI shall manufacture its PRODUCTS in compliance with applicable laws and will in accordance with applicable UL (Underwriter's Laboratory) listing standards. SAVI will make commercially reasonable efforts to notify DEALER as soon as practicable following the discovery by SAVI of any material non-compliance with applicable laws, or SAVI's receipt of a notice of a claim from a consumer, (*which individually or in the aggregate in SAVI's reasonable expectation may result in material liability to DEALER*) that a PRODUCT is defective or does not comply with all applicable laws.

10. REPRESENTATIONS AND WARRANTIES

a.) SAVI Representation and Warranties: SAVI represents and warrants to DEALER that (i) it has the authority to enter into this AGREEMENT and to sell the PRODUCTS to DEALER, free and clear of all liens, charges, encumbrances, or other restrictions, and that the persons signing this AGREEMENT on behalf of SAVI are authorized to sign; (ii) it will provide a manufacturer's warranty to end-users of the PRODUCTS that is generally consistent with industry standards, which will constitute SAVI's only warranty regarding the PRODUCTS; (iii) it will comply with all applicable federal, state, and local laws and regulations in performing its obligations under this AGREEMENT, including but not limited to laws and regulations pertaining to PRODUCT design, manufacture, packaging and labeling and, if applicable, importation and the Foreign Corrupt Practices Act; and (iv) the PRODUCTS are not trans-shipped for the purpose of mislabeling, evading quota or country of origin restrictions or for the purpose of avoiding compliance with law.

b.) DEALER Representation and Warranties: DEALER represents and warrants to SAVI that (i) it has the authority to enter into this AGREEMENT, and that the persons signing this AGREEMENT on behalf of DEALER are authorized to sign; (ii) it will comply with all applicable federal, state, and local laws, and that it will not export or ship any PRODUCTS outside of the United States except in strict compliance with any export-related laws and regulations; (iii) it will exert commercially reasonable efforts to promote and sell the PRODUCTS consistent with DEALER sales, marketing and merchandising plans, and (iv) it will not make false or misleading representations, or otherwise make any disparaging statement, about SAVI or any PRODUCT.

11. LIMITATION OF LIABILITY

Neither party makes any representations nor warranties, express or implied, regarding the business results that the other may obtain as a consequence of this AGREEMENT or the transactions contemplated hereby. Except as set forth in, and only to the extent of, the end-user warranty pursuant to which SAVI extends certain warranty protection to the end-user. The PRODUCTS are being sold "AS IS," and SAVI makes no warranty to DEALER, express or implied, including any warranty of merchantability or fitness for a particular purpose. Except with regard to the provisions of this AGREEMENT relating to confidential information and intellectual property rights. Neither party will be liable for lost profits or lost savings, incidental, indirect, consequential, special, exemplary or punitive damages, except with regard to the provisions of this AGREEMENT relating to confidential information and intellectual property rights, neither party's liability shall exceed in the aggregate amount paid or owed to SAVI during the prior (12) months from the date such liability arise or \$5,000.00, whichever is more.

12. TERM AND TERMINATION

a.) Term: This AGREEMENT will be effective for an initial term commencing on the date that this AGREEMENT is executed by SAVI and continuing thereafter until December 31 of the same year (the "Initial Term"). Unless sooner terminated as provided herein, upon the expiration of the Initial Term, this AGREEMENT will automatically renew for successive periods of one (1) year each (*each, a "renewal term"*) unless terminated at the end of the initial term or any renewal term by either party by delivering written notice of the intent to terminate at least sixty (30) days prior to the end of the initial term or renewal term, as applicable.

b.) Termination: Either party may terminate this AGREEMENT at any time without cause upon delivering sixty (60) days written notice to the other party. In the event either party is in material breach of this AGREEMENT, this AGREEMENT may be terminated immediately by the non-breaching party, provided that notice describing the breach is presented to the breaching party. Rectifying the conditions of the breach within fifteen days (15) after receiving notice, and reporting that the breach has been rectified will in effect nullify the termination notice.

c.) Termination Events: (1) Without cause. Upon expiration or termination of this AGREEMENT without cause by either party, DEALER shall either, at SAVI's option: (i) be permitted to complete sell-through of its remaining PRODUCT inventory; or (ii) return its remaining PRODUCT inventory to SAVI, with the return freight expenses to be borne by the terminating party. (2) For Cause. Upon termination of this AGREEMENT by either party for cause due to the other party's breach, DEALER shall either, at SAVI's option: (i) be permitted to complete sellthrough of its remaining PRODUCT inventory; or (ii) return its remaining PRODUCT inventory to SAVI at the breaching party's expense.

13. INDEMNIFICATION

a.) By SAVI: SAVI will indemnify, defend, and hold DEALER, and its agents and employees, harmless from and against any and all claims, actions, liabilities, losses, costs and expenses (a "claim") arising from (i) a PRODUCT recall, whether initiated by SAVI or a valid order by a court or other governmental body; (ii) claims that the PRODUCTS or any SAVI Content infringe, misappropriate or injure a third party's intellectual property or proprietary rights; and (iii) false or misleading PRODUCT specifications provided to DEALER to promote and sell the PRODUCTS. DEALER agrees to give SAVI prompt written notice of any claim, to tender the defense to SAVI, and to grant SAVI the right to control settlement and resolution. SAVI agrees to pay all costs of liability, settlement and defense, including its attorney fees and costs. If it deems appropriate to limit or reduce its potential liability arising from a claim, SAVI may cause DEALER to limit, suspend or terminate distribution of any PRODUCT or PRODUCTS, in one or more territories or countries, pending resolution of the claim provided; however that in the event of a suspension or termination of distribution pursuant to the foregoing, SAVI will accept a return of, and will reimburse DEALER at the price paid for DEALER existing inventory of suspended or terminated PRODUCT. Furthermore, if SAVI receives written notice of an alleged infringement or believes that a claim of infringement is likely, SAVI may at its sole option and expense: (1) procure for DEALER the right to continue to use PRODUCT at SAVI's sole expense; (2) modify SAVI's PRODUCT so that it no longer infringes; (3) replace the infringing portion of PRODUCT with material(s) that do not infringe, or (4) terminate this AGREEMENT.

b.) By DEALER: DEALER will indemnify, defend, and hold SAVI, its parent, affiliates, agents and employees harmless from and against any and all claims arising from DEALER negligence or willful misconduct, and from DEALER breach of this AGREEMENT including making any false or misleading statements about PRODUCT. SAVI agrees to give DEALER prompt written notice of any such claims, to tender the defense to DEALER, cooperate fully with any investigative or other requests, and to grant DEALER the right to control settlement and resolution. DEALER agrees to pay all costs finally awarded by a court of competent jurisdiction or agreed in a settlement of any such claim, including reasonable attorney fees and costs.

14. ASSIGNMENT

This AGREEMENT and any rights or obligations hereunder may not be assigned by either party without first obtaining the other

party's express written consent, which consent shall not be unreasonably withheld; provided, however, that SAVI may assign this AGREEMENT, without obtaining express written consent by DEALER to (a) a successor corporation resulting from a merger or consolidation or to a purchaser of all or substantially all of SAVI's assets or a majority, or controlling interest in SAVI's voting stock; and (b) a present or future subsidiary or affiliate. Any attempted assignment in violation of this AGREEMENT shall be null and void.

15. FORCE MAJEURE

Neither party shall be in breach of this AGREEMENT solely due to causes beyond the control and without the fault or negligence of such party. Such causes may include, but are not restricted to, acts of God or of a public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, power failure, or failure of the customary delivery systems, but in every case the failure to perform must be beyond the control and without fault or negligence of the party failing to perform. Each party must inform the other of any force majeure event within five (5) business days after such party became aware of its occurrence, and within reason.

16. NOTICES

All notices and other communications which are required or permitted under this AGREEMENT shall be in writing and shall be deemed to have been duly given if hand-delivered or mailed by either registered or certified mail, return receipt requested, or by a nationally recognized overnight courier service, receipt confirmed.

In the case of notices via first-class mail or courier service, notices shall be deemed effective upon the date of receipt. Notices shall be addressed to the parties as set forth on the signature page of this AGREEMENT, unless either party notifies the other of a change of address in accordance with this Section 16, in which case the latest noticed address shall be used.

17. GENERAL

a.) Relationship of the Parties: The relationship between the parties shall be that of independent contractors. Nothing herein shall be construed as creating or constituting any agency or employment relationship, partnership, or joint venture between the parties.

b.) Governing Law, Jurisdiction: This AGREEMENT shall be governed by and interpreted under the laws of the State of Texas. SAVI and DEALER expressly consent and submit to the exclusive jurisdiction of the state and federal district courts located in Dallas, TX.

c.) Enforceability: If any provision of this AGREEMENT is held to be unenforceable by a court of competent jurisdiction, such provision shall be more narrowly and equitably construed so that it becomes legal and enforceable or if such construction is not possible, then the provision shall be deemed removed, and in either case the entire Terms shall not fail on account thereof and the balance of the Terms shall continue in full force and effect.

d.) No Waiver: Any of the provisions of this AGREEMENT may be waived by the party entitled to the benefit thereof. Neither party will be deemed, by any act or omission, to have waived any of its right or remedies hereunder unless such waiver is in writing and signed by the waiving party, and then only to the extent specifically set forth in such writing. A waiver with reference to one event will not be construed as continuing or as a bar to or waiver of any other right or remedy, or as to a subsequent event.

e.) Counterparts and Electronic Signature: This AGREEMENT may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute, and have the same force and effect as, one and the same instrument or an original executed document.

f.) Entire Terms, Amendments: This AGREEMENT contains the entire AGREEMENT between the parties with respect to the subject matter hereof, and supersedes and replaces all prior agreements, negotiations and oral understandings, if any. This AGREEMENT may not be amended, supplemented, or modified in any way, except by an amendment in writing and signed by authorized representatives of the parties. No amendment shall be effected by the acknowledgment or acceptance of a purchase order, invoice, or other forms stipulating additional or different terms. This AGREEMENT shall inure to the benefit of and be binding upon each of the parties and their respective successors, assigns, heirs, executors, administrators, and trustees. *g.) Equitable Relief:* The parties agree that a breach of Section 8 CONFIDENTIALITY of this AGREEMENT, or of any provision affecting the ownership of the SAVI IP (*intellectual property*) shall result in immediate and irreparable harm for which ordinary damages may not be a sufficient remedy. Therefore, the parties agree that in the event of any such breach, the non-breaching party may seek equitable relief, including without limitation an injunction or other restraint, in any court of competent jurisdiction, without the necessity of posting any bond, in addition to any other relief to which such non-breaching party may be entitled at law or in equity.

h.) Headings: Section headings used in this AGREEMENT are for the purposes of convenience only and shall not affect the legal interpretation of this AGREEMENT.

i.) Survival: The expiration or termination of this AGREEMENT shall not terminate vested rights of either party from any liabilities or obligations incurred under this AGREEMENT prior to or which by their nature are intended to survive expiration or termination, including but not limited to provisions relating to confidentiality, indemnification, and proprietary rights.

SCHEDULE A

Certain Conditions and DEALER Obligations:

A. the SAVI PRODUCTS covered by this AGREEMENT are:

Audio/Video, Automation and Control: SAVI Software, SAVI Hardware, Custom SAVI Software, Custom SAVI Hardware, Software Licensing, Audio/Video Components, Networking, Accessories and Services.

B. the approved primary location:

As provided as the primary place of business documented in the SAVI Dealer Application.

C. In performance under the AGREEMENT, DEALER shall do the following:

- 1.) Sell and distribute PRODUCT only to bona fide end users; not market, sell or distribute PRODUCT to wholesalers or sub-dealers, and also not market or sell PRODUCT by means of the Internet or any web site, or other commercial on-line service, unless DEALER has obtained SAVI's express, prior written approval.
- 2.) Sell the Products only at approved locations unless DEALER has a separate written agreement with SAVI authorizing the sale of the Products by other means.
- 3.) Not purchase PRODUCT offered by SAVI from any source other than SAVI, or an authorized distribution agent. Nothing herein shall be deemed to authorize or grant DEALER the right to state or imply in any manner that DEALER is authorized to promote or sell any SAVI products other than the PRODUCT which a DEALER is authorized to purchase and resell pursuant to this AGREEMENT and DEALER further agrees that it will not state or imply in any medium anything to the contrary.
- 4.) Refrain from engaging in any unfair competitive practices, including but not limited to product disparagement and bait and switch practices, and comply with all applicable present and future federal, state, county and local laws, ordinances and regulations of all duly constituted authorities.
- 5.) Maintain its business establishment in an attractive, clean, orderly and sanitary condition and maintain all its fixtures and furnishings in good condition and repair.
- 6.) Display the PRODUCT and all promotional material pertaining thereto and maintain adequate stocks and facilities thereof, as applicable.
- 7.) Obtain training from SAVI for DEALER personnel, and directly provide ongoing training of its sales personnel in connection with the demonstration, use and sale of the PRODUCT.
- 8.) Make prompt payment of all invoices in accordance with the terms thereof (all terms commence on date of invoice) rendered by SAVI to DEALER in connection with such PRODUCT as may, from time to time, be sold by SAVI to DEALER.
- 9.) Immediately forward to SAVI information concerning all charges, complaints, or claims of damage relating to any of the PRODUCT that may come to DEALER's attention.
- 10.) Purchase from SAVI the minimum quantity, if any, of Products as may be required during the term of the AGREEMENT under any applicable independent DEALER program, or otherwise set forth in writing prior to execution of the AGREEMENT, as may be adjusted by SAVI from time to time as permitted under such DEALER program or upon thirty (30) days prior written notice to DEALER. In addition, certain additional minimum purchase obligations may be required to become eligible for price discounts or credit terms, if any, that may be offered by SAVI under any DEALER program from time to time; provided that no such program shall apply to DEALER unless set forth in writing and expressly extended to DEALER by SAVI.
11. (a) Not separate any software sold or bundled/packaged with any PRODUCT from such PRODUCT or sell, license or distribute such software on a standalone basis, (b) only distribute such software on those terms and conditions as SAVI may, from time to time require, and (c) not remove, translate or modify the contents of documentation of or related to such software, including, without limitation, any end user license agreements or warranty statements.

Without in any manner prejudicing the right of SAVI to claim that any other breach or default of this AGREEMENT on the part of DEALER constitutes a material breach or default, it is understood and agreed that the failure of DEALER to comply with the provisions of the foregoing subdivisions of this SCHEDULE A shall constitute a material breach and default of this AGREEMENT on the part of DEALER.

For the purpose of verifying compliance by DEALER with the provisions of the foregoing subdivisions of this SCHEDULE A, DEALER agrees that SAVI and its representatives will be permitted full access to and will be permitted to make copies of or abstracts from the books and records relating to PRODUCTS sold by SAVI to DEALER and will be permitted to audit such books and records at reasonable intervals.

Pending the completion of any such audit, SAVI shall have the right to delay shipments of PRODUCT to DEALER.

CONSTRUCTION OF AGREEMENT: This AGREEMENT shall be construed according to the laws of the State of Texas.